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DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY [illegible] DATE 4/7/95
RDS or XDS EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS
DECLASSIFIED/RELEASABLE
RELEASE DENIED
PA or FOI EXEMPTIONS

VH

GB and ARA
DRAFT
12/3/50

PROBLEM:

To define the Latin American policy of the United States in terms of its total policy for dealing with the present world situation.

RECOMMENDATIONS:

1. We should bring about a positive identification of the Latin American countries with our own policy in the rest of the world, so that our policy shall also be the active policy of the inter-American community as a whole and of all its individual members. We should do this by:

(a) Establishing in the minds of the Latin Americans, governments and peoples alike, the identity between our own basic objective of U.S. security and the common objective of hemisphere security, interpreting our actions abroad in terms of hemisphere security;

(b) Taking the Latin American authorities into our confidence while we are in the process of developing our policies, by informing them of our thinking and, to the greatest practicable extent, by consulting their views;

(c) Persuading the Latin Americans that they share world responsibilities with us; that they are therefore called upon to participate in the contributions and sacrifices that must be made in order to build up the strength of the free world in general and, in particular, of those areas most immediately threatened by Soviet aggression;

(d) Encouraging

(d) Encouraging the effective commitment of the Latin American countries, through active participation, to enterprises directed at the achievement of the free world's objectives;

(e) Giving Latin American countries economic and military assistance designed to facilitate their contributions to the discharge of common world responsibilities, including grants for the development of military forces to be used to meet inter-American or United Nations obligations.

2. We should help secure the stability and economic viability of the other American states on the strongest possible basis, so that their association with us shall add to our strength rather than detract from it. We should do this by:

(a) Expanding our present technical assistance and loans, and making grants for special strategic purposes, the various projects to be organized as integrated country programs for economic development;

(b) Encouraging an attitude of self-reliance, so that the context of our assistance shall be a situation in which the recipients are already doing what they can to help themselves;

(c) Insuring, in connection with our economic mobilization, that the Latin American countries receive an equitable share of products in short supply;

(d) Taking precautions against severe economic dislocations consequent upon the eventual termination of emergency U.S. programs for the purchase of strategic materials.

3. We

3. We should continue to promote the effectiveness of the Organization of American States.

4. We should establish administrative instrumentalities and procedures that will enable our Government to act as a unit in the conduct of its Latin American relations, the coordinating Authority to be vested in the Secretary of State. (ARA and A should make necessary recommendations for NSC consideration.)

5. Procedures should be adopted to insure maximum consistency between what we do in Latin America and what we do in other parts of the world, on the basis of balancing requirements of policy in Latin America and any conflicting requirements of policy in other areas. (The Department and the Bureau of the Budget should make the necessary studies and recommendations.)